GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Animal Husbandry Department – Veterinary Drugs & Medicines and Veterinary Equipment - Procurement, Supply, Storage, distribution and usage- Approval of guidelines – Orders – Issued.

ANIMAL HUSBANDRY, DAIRY DEVELOPMENT & FISHERIES (AH-I) DEPARTMENT

G.O.RT.No. 99 Dated: 03-05-2019.

Read:-

From the Director, Animal Husbandry Department, A.P., Lr. Roc.No.1859/F/F1/ 2019, Dt:12.04.2019.

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ORDER:-

In the circumstances stated by the Director, Animal Husbandry Department, A.P., Vijayawada in his letter read above, Government after careful examination of the matter, hereby approve the policy for procurement of medicines and equipment to the different categories of Veterinary Institutions. The guidelines approved for Procurement of Veterinary Drugs and Medicines and equipment are as detailed in the Annexure appended to this order and the new procurement policy shall be fully operationalized and implemented with affect from 01-08-2019.

2. The Director, Animal Husbandry Department, A.P., Vijayawada shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B. SREEDHAR
SECRETARY TO GOVERNMENT

To
The Director, Animal Husbandry Department, A.P., Vijayawada.
Copy to:
The PS to M (AHDDF), A.P., Secretariat, Velagapudi.
SF/SC.

//FORWARDED::BY::ORDER//

SECTION OFFICER

Annexure

(G.O.Rt.No. 99 AHDD&F(AH.I) Deptt., Dt:03-05-2019

PROCUREMEN OF VETERINARY DRUGS & MEDICINES AND EQUIPMENT

1. Objectives of the policy

The overall objective of the new procurement policy is to make the essential medicines and equipment of good quality available at all veterinary institutions in the State at all times, which are procured at competitive prices in a transparent manner that can ensure promotion of rational use of medicines.

The specific objectives of the policy are mentioned below

a) The medicines, supplements and equipment that are essential for effective delivery of veterinary services shall only be procured.
b) The budget provided for procurement of medicines and equipment shall be apportioned rationally among the various categories of veterinary institutions.
c) The procurement shall be effected to fulfill the needs of calendar of operation prescribed to ensure timely availability
d) The procurement procedure shall be efficient and transparent.
e) To ensure quality medicines and equipment are procured.
f) To ensure proper storage of medicines till delivered to the user institutions.
g) To put in place a service provider for effective transportation of medicines from divisional store to the end user institution as and when required.
h) To create an environment to promote rational use of medicines.
i) To deploy an effective software tool for management information system to monitor the entire cycle of medicine procurement, distribution, internal transfers, alert mechanism etc. for its effective utilization.

2. Distribution of budget

2.1 The budget available for drugs and medicines under the state budget shall be apportioned among the institutions in the manner shown below after earmarking budget for the activity specific schemes planned as per calendar of operations.

Name of the institution	Budget to be allocated
SSVH, Vijayawada &Pulivendula, SAHTC, Mandapeta and VPCs	Lumpsum
Veterinary Hospitals	Lumpsum based on its categorization as A/B/C
Veterinary Dispensaries (Including RLUs)	50% weightage, for cattle units and another 50% weightage for the type (category) of institution (depending on the geographical location, Quality of livestock available in the area, and daily average attendance to the institutions)

2.2 The DAH shall categorize the institutions available in the state as A, B & C categories based on the potential and assessed on the basis of its location, quality of cattle the institution is serving and average daily attendance and assign weightages to the institutions.

2.3 The institution in the mandals categorised in plain area, upland area and Tribal area are given different weightages

- Similarly the institution covering improved quality animals (Cattle only) are given higher weightages
- Different weightage will also be given to the institutions based on daily average attendance to the institutions.

2.4 Out of the total budget allotted to the department under D&M, Rs. 5000/-(per annum per centre) shall be earmarked to all Veterinary Dispensaries and Rs.

10,000/- per centre per annum to all State level institutions including VPCs to support the farmers to enable them to procure medicines locally and to incur expenditure as per the procedure prescribed by DAH. This initiative is introduced to minimize prescriptions to the farmers in the following occasions

i. To procure life saving medicines in case of emergencies and to deal with epidemics (not available with institutions)
ii. To procure need based medicines not listed in the rate contract.

3. Assessment of medicines to be procured

3.1 The essential medicines required for usage in veterinary institutions shall be identified through an evidence – based process with due regard to disease prevalence, quality, safety, efficacy, and comparative cost- effectiveness to make such drugs available at all the institutions as per need, in suitable quantities and dosage forms.

3.2 To identify the list of essential medicines, a State Level Expert Committee shall be constituted by the DAH which shall submit Essential Medicines List (EML) in its initial report in the month of March every year and which should be updated by the committee from time to time every year.

3.3 The State Level Expert Committee shall also prepare an Additional Medicine List (AML) to take care of specific activities sponsored under different schemes.

3.4 The Committee shall finalize the list of medicines required based on International Non-proprietary Names (INN) or generic names.

3.5 The list of medicines identified by the State Level Expert Committee shall be published in the website of the department for information of the veterinarians working in the department.

4. Estimation of quantities to be procured:

4.1 The Veterinarians, I/c of the institutions shall estimate the annual requirement of various medicines from the Essential Medicine List (EML) specified in para (3) above on the basis of the stock on hand as on 31st March every year and also based on the quantity of medicine consumed during the previous year which shall be submitted by the Veterinarian I/c of the institution through software app not only in respect of his institution but also in respect of the sub-centres under his jurisdiction by 10th of April every year.

4.2 The DAH based on the consolidate requirement of EML received online from the institutions shall initiate tendering process in the month of April every year limiting the quantities of medicines to be procured to the extent of budget that would be made available to the department.

4.3 The delivery schedule of medicines shall also be indicated to the firms to enable effective inventory management at the state level.

5. Timely supply of medicines

5.1 Timely supply of required medicines to all institutions shall be ensured adopting the following norms strictly

i. The Directorate shall ensure that adequate quantities of medicines are available at all the institutions in the state as per the calendar of operations prescribed by the department.

ii. It shall also establish appropriate transportation and logistics arrangements to deliver the medicines to each institution at its door step.

iii. The Directorate shall ensure that the physical verification of the stock received from the firms be undertaken before actual distribution of the stocks to the field veterinary institutions.

iv. The Divisional Offices shall arrange to supply medicines systematically to all the institutions through a specified route on pre-specified dates. An appropriate calendar for delivery of medicines shall be accordingly prepared by the divisional offices and communicated to the concerned institutions for information from time to time.

5.2 The rational use of the medicines shall be promoted in the following manner:

i. To the extent consistent with the standard treatment protocols, the Heads of institutions shall use the medicines available within the Hospitals so that the farmer is not required to make out of pocket expenses for purchase of the medicines

ii. The DAH shall under take awareness and training programs to sensitize the Head of institutions in rational prescription practices

5.3 The Heads of institutions shall also update the stock availability from time to time in the software app in the following circumstances

i. The stock of any medicine gets exhausted earlier than estimated, due to heavy demand and

ii. Non utilization of the stock at the institutions due to slow movement or non-issuance due to vacancy

5.4 A real time Inventory Management System shall be established by the Directorate to ascertain the details of stock availability at the institutions and to replenish the stock as per requirement on real time basis to minimize prescription of medicines to the farmers by replenishment either through internal transfers or through fresh procurement.

5.5 An appropriate comprehensive MIS shall also be developed and established to give alerts when any particular medicine has gone below the minimum stock level and to document the instances of medicines procured locally on account of non availability of stock

5.6 The divisional offices shall take steps to establish a scientific storage system at all divisional officers and also develop good warehouse management practices.

5.7 FEFO (First Expiry First Out) system shall be established in the inventory management at all levels

6. Procurement Procedure

6.1 The Directorate shall procure the medicines invariably adopting the e-procurement procedure, using the common platform already established by GOAP. The Inventory management system in the MIS shall be established in pursuance of paras 5.3 and 5.4 above

6.2 The Directorate shall formulate a bid document for procurement of medicines and equipment suitable to the situation with a view to enhance the efficiency and transparency in procurement and to guarantee the quality of medicines procured. Adequate safeguards shall also be incorporated, in the bid document to ensure that only those firmswhich adopt good manufacturing practices and have quality certification qualify in the bids. The revised procurement procedure designed shall incorporate appropriate best practices and safeguards including those indicator below

i. Conducting of ‘pre-bid conferences’ and also debriefing of the bidders immediately after award of contract, indicating the reasons for rejection of bids.

ii. The details of award of contract/ rate contract shall be published in the website of the department.

Iii. The Directorate shall undertake a strict enforcement procedures for taking action on the suppliers for failure to deliver the goods within the prescribed time OR supplying the medicines which do not pass quality tests. Appropriate criteria for adjudging quality standards shall be defined and incorporated in the tender document for the information of all the bidders and suppliers.

6.3 The DAH may engage suitable consultants to assist him for finalization of bids following the procedure prescribed in the Go.Rt.No.89,dated 16-07-2015 of Finance(HR-I)Department.

6.4 The Directorate shall earmark budget under relevant head of account towards the cost of procurement, management, administration, quality testing, storage, transportation and establishing real time inventory management system.

7. Quality of Medicines:

Ensuring the quality of medicines is one of the prime objectives of the procurement policy. Accordingly the following steps shall be taken by the Directorate to ensure the quality of the highest order.

7.1 Each unit shall be inspected and reported by a competent senior team before pre-qualifying bids

7.2 Random samples shall be taken from each batch and tested for quality in a time bound manner. A double blinded method of coding the samples shall be followed to maintain absolute confidentiality

7.3 Highly reputed quality testing laboratories shall be empanelled for quality testing of medicine

7.4 The medicines shall be stored in a controlled environment as advised by the respective manufacturers

8. Governance structure:

8.1 The Directorate shall restructure, strengthen and professionalize its Medicine Procurement Division both at Headquarters and in the divisions, so as to implement the new procurement policy effectively

8.2 Trainings: The SMILE Visakhapatnam shall Under take training needs analysis (TNA) of its employees and of the officers for "need assessment, estimation, procurement, storage and distribution process" and design appropriate modules and impart training to all concerned employees of the department involving Livestock Resource Centres.

8.3 Institutional arrangement:

i. At HODs level: Competent officers designated by DAH with supporting staff shall monitor for effective implementation of the procurement policy

ii. At the District level: The Joint Director (AH) assisted by the Divisional Deputy Directors shall monitor the overall management of medicines supply chain including the need assessment, estimation, proper storage, distribution, internal transfers and reporting.

iii. At institutional level: the Person I/c of the institution shall be primarily responsible for maintenance of the store utilization and prompt reporting.

iv. The following committees shall discharge the responsibilities shown against each when e-procurement tenders are called for. However the constitution of these committees will be prescribed by the government when ever tenders are called for.

a. Technical Bids evaluation committee: shall prepare the bid document covering required terms and conditions as pre - requisite qualifications to the participating firms and shall also scrutinize the bids received in the tenders for evaluation. The committee shall also inspect or cause inspection of the manufacturing facilities of the bidders

b. Commercial/financial bids evaluation committee:-

- shall also evaluate the commercial bids of the technically qualified bidders
- negotiate with the bidders to empanel the suppliers.

8.4 Grievance Redressal:-

i. The directorate shall establish a 24 x 7 call center to receive the grievance from all categories of institutions to document and to report the difficulties in supply chain management to the DAH.

ii. The DAH shall also create provision in the website to receive complaints and suggestion from the farmers on the shortage of medicines, their quality or any other aspect relating there to.

8.5 The new procurement policy shall be fully operationalized and Implemented with effect from 01.08.2019.

B. SREEDHAR
SECRETARY TO GOVERNMENT